

**BENEFITS OF DIVERSITY IN MEDIA OWNERSHIP
STATEMENT OF ALFRED C. LIGGINS
CHIEF EXECUTIVE OFFICER AND PRESIDENT
OF
RADIO ONE, INC.
BEFORE
THE FEDERAL COMMUNICATIONS COMMISSION
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Good Morning Chairman Powell and Commissioner Abernathy, Commissioner Adelstein, Commissioner Copps, and Commissioner Martin. Good Morning also to the other panelists, distinguished guests and public participants. It is my pleasure and privilege to appear before you today.

I am Alfred Liggins, Chief Executive Officer and President of Radio One, Inc. Thank you for inviting me to speak before you today on the important issue of the benefit of diversity in media ownership. I am here today to share with you my experience and views on how diversity in media ownership has positively affected the broadcast industry and the American public. I trust that at the conclusion of this hearing I will have provided some additional insight as to the difference such diversity can make to the public debate and dissemination of information.

This is the 25th anniversary of the 1978 minority ownership policy statement, whose **history** stands as an example of what creative rulemaking can accomplish. In 1978, there was only one minority-owned television station and 59 minority-owned radio stations. By 1995, when the tax certificate policy was repealed and comparative hearings basically came to an end, there were 35 minority-owned television stations and about 320 minority-owned radio stations. Today, in Richmond, Virginia, Radio One is the only minority-owned broadcaster. Prior to deregulation, there were six such owners. The significant decrease in the number of minority-owned television and radio stations are an illustration of how federal rules and policy making can dramatically change the landscape of equal opportunity and diversity.

I would like to devote a minute or so to providing some background information on Radio One. As Radio One is the largest African-American controlled radio broadcasting Company in the United States, this background information will be relevant to our discussion today.

My mother, Catherine L. Hughes, founded Radio One in 1980. Owning a radio station was the fulfillment of her goal of increasing the number of

African-American voices heard on the radio. Interestingly, she was able to realize this goal by taking advantage of the FCC's distress sale policy.

Radio One's entree into broadcasting commenced with the acquisition of Station WOL(AM) in Washington, DC. For seven years, this was the Company's sole station and yet operating at a mere 1,000 watts it established the cornerstone of the Company's core mission: presenting news, entertainment and information from the African-American perspective. It was on WOL(AM) that my mother pioneered a new and innovative format, 24-hour talk from a black perspective, and adopted the slogan, "Information is Power." The meaning of that slogan was as relevant and important to her generation as it is to mine. The ability to control the airwaves through ownership gives one the **power** to proactively inform, educate and inspire one's community. I am certain that if my mother had not been the owner of WOL(AM), she would not have had the opportunity to accomplish this important goal.

Over the past two decades, Radio One has grown from that single **AM** station to 65 stations in 22 markets and also provides programming to five channels on XM Satellite Radio, one of which is a simulcast of WOL(AM). Radio

One's expansion to a Company of national scope is attributable in part to the decision to go public in 1999, which made capital more accessible and less expensive, and Clear Channel's commitment to divest a number of stations being acquired from its AMFM acquisition to minority-owned companies. Through that divestiture, Radio One acquired stations in such major markets as Los Angeles, Dallas and Houston. Although we are a public Company, my mother and I continue to retain a majority of voting control. In spite of our significant growth, we have continued to maintain our core focus: providing entertaining and informative content that serves the needs of the African-American community.

Of our 65 stations, 60 have formats that are targeted toward the African-American listener. Our diverse programming formats include Black Talk, Hip Hop, R&B, **Jazz** and Gospel. I believe that unlike many of our majority-owned counterparts, we offer our listeners a viewpoint that is more specifically focused on their communities, interests and needs.

Studies have shown that there are significant disparities in the treatment of African-Americans in local and national news. In addition, African Americans still face a lack of quality programming in the media focused on

their needs, interests and perspectives. I strongly believe that minority-owned radio stations provide more minority-focused content and a greater focus on the concerns of the minority community. Likewise, our listeners take great comfort in knowing that the information and opinions presented are derived from a shared perspective; that there is a collective stake in the issues being discussed.

Perhaps the best way to illustrate this point is to share a few examples of how Radio One has uniquely served the needs of its listeners:

- Our stations regularly provide important health care information that is relevant to African-Americans, including information concerning the disparity in the quality of health care; the significantly higher infant mortality rate; and the increased **risk** of heart disease.

- e We provide information on college admissions, sponsor scholarship opportunities and have helped raise funds and support for historically Black colleges and universities.

- e We raised cash and other donations for Princeville, North Carolina, the oldest town in America incorporated by freed slaves, which was devastated by a flood.

- We helped to expose the harsh present day reality of slavery in the Sudan.

- On a regular basis, we sponsor job fairs and other events in the African-American community and promote voting and other civic participation.

These are just a few of the ways in which we attempt to serve the needs of our listeners. Obviously, I cannot state with certainty that these issues are not of concern to non-minority owned companies. However, I can assure you that as an African-American owner I am committed to ensuring that Radio One continues to focus on the African-American community and to present that viewpoint to the American public.

Just a few weeks ago, Radio One announced a cable venture with Comcast Corporation. Comcast Corporation, now the largest cable operator in the country, shares Radio One's view of the importance of and need for more diverse programming and as a result has committed to a significant investment of funds and resources. One of the reasons that we pursued this venture is our recognition that there is an insufficient amount of programming of interest to African-Americans. This is in spite of the fact that African-Americans constitute approximately 13 percent of the United States

population. I think this is best explained by the fact that there is only one national television network dedicating its programming to an African-American audience. That network, which was minority-owned for many years, recognized the dearth of programming and stepped in to fill the void. But one dedicated network is not enough to serve the needs of the entire community. And, as a minority-owned Company, Radio One has a commitment, a perspective, and a passion that will be evident in the programming that the new venture will provide.

Over the years, the Commission has eliminated a number of requirements aimed at broadcasters: ascertainment of community needs, programming to these needs, restricting the number of commercials, and broadcasting a minimum amount of non-entertainment programming. As a businessman, I appreciate the flexibility that the elimination of these requirements has provided in operating our stations. However, absent these requirements, one important factor remains in the dissemination of information: ownership of media. In today's environment, many minority voices are needed. Minorities are not monolithic. We do not all think alike, and the public needs to hear the rich diversity of views from and among minorities.

Radio One is very proud to be able to refer to itself as the nation's largest African-American owned broadcaster. However, the Company has overcome many difficult obstacles in attaining this status. Many minority-owned companies continue to face these obstacles today, the primary one being the lack of access to capital.

Obviously, in one panel discussion we cannot give this important issue the level of contemplation and deliberation it deserves. The National Urban League and the Minority Media and Telecommunications Council, joined by fifteen other organizations, have asked the Commission to convene a hearing this Spring devoted exclusively to finding solutions to the minority ownership dilemma. Such a hearing would be a very useful undertaking, and we are pleased to endorse such a hearing and to assist the Commission in making it a success.

I thank you all for your time and attention. Mr. Chairman, I look forward to joining the dialogue that you are starting today.